

**Introduced by Senator Burton**

January 20, 2004

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An act to amend Section 22200 of the Education Code, relating to state teachers' retirement.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1137, as introduced, Burton. Teachers' Retirement System: retirement board.

Existing law, the Teachers' Retirement Law, provides for the election, as of January 1, 2004, of 3 members of the Teachers' Retirement Board, at elections conducted by the board. One of those members is to be elected by specified active members of the Defined Benefit Program of the State Teachers' Retirement Plan. Existing law also provides for the appointment, as of January 1, 2004, to the board of either a retired member of the Defined Benefit Program or a retired participant of the Cash Balance Benefit Program of the State Teachers' Retirement Plan.

This bill would, as of January 1, 2006, provide that the appointed retired member of the board shall instead be elected by the retired members of the Defined Benefit Program, retired participants of the Cash Balance Benefit Program, and members who are receiving a disability allowance, as specified, and provide that the member of the board elected by the specified active members of the Defined Benefit Program shall also be elected by specified active participants of the Cash Balance Benefit Program. The bill would also clarify that a member of the system employed to perform creditable service for more than one employer may only be elected to the position on the board that corresponds to the position in which he or she accrued the most service credit during the prior school year and make related technical changes.



Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 22200 of the Education Code is  
2 amended to read:  
3 22200. (a) The plan and the system are administered by the  
4 Teachers' Retirement Board. ~~The~~ *On and after January 1, 2006,*  
5 *the* members of the board are as follows:  
6 (1) The Superintendent of Public Instruction.  
7 (2) The Controller.  
8 (3) The Treasurer.  
9 (4) The Director of Finance.  
10 (5) ~~Three~~ *Four* persons who are either members of the Defined  
11 Benefit Program or participants in the Cash Balance Benefit  
12 Program, as follows:  
13 (A) One person who, at the time of election, is an active  
14 member of the Defined Benefit Program or an active participant  
15 of the Cash Balance Benefit Program employed by a school district  
16 that provides instruction for grades K to 12, inclusive, or a county  
17 office of education, in a position other than a school administrator  
18 that requires a services credential with a specialization in  
19 administrative services. This member shall be elected by the active  
20 members of the Defined Benefit Program and active participants  
21 of the Cash Balance Benefit Program who are employed by a  
22 school district that provides instruction for grades K to 12,  
23 inclusive, or county office of education, pursuant to regulations  
24 adopted by the board, for a four-year term commencing on January  
25 1, 2004.  
26 (B) One person who, at the time of election, is an active  
27 member of the Defined Benefit Program or an active participant  
28 of the Cash Balance Benefit Program employed by a school district  
29 that provides instruction for grades K to 12, inclusive, or a county  
30 office or education. This member shall be elected by the active  
31 members of the Defined Benefit Program *and active participants*  
32 *of the Cash Balance Benefit Program* who are employed by a  
33 school district that provides instruction for grades K to 12,  
34 inclusive, or a county office of education, pursuant to regulations

1 adopted by the board, for a four-year term commencing on January  
2 1, 2004.

3 (C) One person who, at the time of election, is a community  
4 college instructor and an active member of the Defined Benefit  
5 Program or an active participant of the Cash Balance Benefit  
6 Program employed by a community college district, who shall be  
7 elected by the active community college members of the Defined  
8 Benefit Program and the active community college participants of  
9 the Cash Balance Benefit Program, pursuant to regulations  
10 adopted by the board, for a four-year term commencing on January  
11 1, 2004.

12 (D) *One person who, at the time of the election is a retired*  
13 *member of the Defined Benefit Program, a member of the Defined*  
14 *Benefit Program receiving a disability allowance, or a participant*  
15 *receiving an annuity under the Cash Balance Benefit Program.*  
16 *This member shall be elected by the retired members of the Defined*  
17 *Benefit Program, the members of the Defined Benefit Program*  
18 *receiving a disability allowance, and the participants receiving an*  
19 *annuity under the Cash Balance Benefit Program, pursuant to*  
20 *regulations adopted by the board, for a four-year term*  
21 *commencing on January 1, 2006.*

22 (6) ~~Five~~ Four persons appointed by the Governor for a term of  
23 four years, subject to confirmation by the Senate, as follows:

24 (A) One person who, at the time of appointment, is a member  
25 of the governing board of a school district or a community college  
26 district.

27 (B) ~~One person who is either a retired member under this part~~  
28 ~~or a retired participant under Part 14 (commencing with Section~~  
29 ~~26000).~~

30 (C) Three persons representing the public, whose terms shall be  
31 staggered by varying the first terms of these members, *as follows:*

32 (i) *One person to a term expiring December 31, 2005.*

33 (ii) *One person to a term expiring December 31, 2006.*

34 (iii) *One person to a term expiring December 31, 2007.*

35 (b) *A person who is employed to perform creditable service by*  
36 *a community college district and either a school district that*  
37 *provides instruction for kindergarten through grade 12 or a county*  
38 *office of education may only be elected to the position on the board*  
39 *that corresponds to the position in which they accrued the most*  
40 *service credit during the prior school year.*

1 (c) The members of the board shall annually elect a chairperson  
2 and vice chairperson.

3 SEC. 2. The term of the person appointed on January 1, 2004,  
4 to serve on the Teachers' Retirement Board pursuant to  
5 subparagraph (B) of paragraph (6) of subdivision (a) of Section  
6 22200 of the Education Code and the term of the first of the three  
7 persons appointed on January 1, 2004, to serve on the Teachers'  
8 Retirement Board pursuant to subparagraph (C) of paragraph (6)  
9 of subdivision (a) of Section 22200 of the Education Code shall  
10 expire on December 31, 2005.

11 SEC. 3. Section 1 of this act shall become operative on  
12 January 1, 2006.

